3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-876]

Welded Line Pipe from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2018-2019

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that neither of the mandatory respondents subject to this administrative review made sales of subject merchandise at less than normal value (NV). Interested parties are invited to comment on these preliminary results of review.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: David Goldberger or Joshua Tucker, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4136 or (202) 482-2044, respectively.

SUPPLEMENTARY INFORMATION:

Background

On February 6, 2020, based on timely requests for review, in accordance with 19 CFR 351.221(c)(1)(i), we initiated an administrative review of the antidumping duty order on welded line pipe from Korea.¹ The period of review is December 1, 2018, through November 30, 2019. On April 24 and July 21, 2020, Commerce tolled the deadlines for this administrative review by 50 days and 60 additional days, respectively.² In December 2020, we extended the preliminary

¹ See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 85 FR 6896 (February 6, 2020).

² See Memoranda, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19," dated April 24, 2020; and "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews," dated July 21, 2020.

results of this review to no later than April 19, 2021.³ For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁴

<u>Scope of the Order</u>

The merchandise subject to the order is welded line pipe.⁵ The product is currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) item numbers: 7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.5000, 7306.19.1010, 7306.19.1050, 7306.19.5110, and 7306.19.5150. Although the HTSUS numbers are provided for convenience and for customs purposes, the written product description remains dispositive.

Methodology

Commerce is conducting this review in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). Export price and constructed export price are calculated in accordance with section 772 of the Act. NV is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at http://access.trade.gov. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at http://enforcement.trade.gov/frn/. A list of the topics discussed in the Preliminary Decision Memorandum is attached as Appendix I to this notice. Preliminary Results of the Review

As a result of this review, we preliminarily determine the following weighted-average dumping margins for the period December 1, 2018, through November 30, 2019:

³ See Memorandum, "Welded Line Pipe from the Republic of Korea: Extension of Deadline for Preliminary Results of 2017-2018 Antidumping Duty Administrative Review," dated December 1, 2020.

⁴ See Memorandum, "Decision Memorandum for the Preliminary Results of the 2018-2019 Administrative Review of the Antidumping Duty Order on Welded Line Pipe from Korea," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁵ For a complete description of the scope of the order, see Preliminary Decision Memorandum.

Producer or Exporter	Weighted-Average Dumping Margin (Percent)
NEXTEEL Co., Ltd.	0.00
SeAH Steel Corporation	0.00
Companies Not Selected for Individual Review ⁶	0.00

Review-Specific Average Rate for Companies Not Selected for Individual Review

The exporters or producers not selected for individual review are listed in Appendix II.

Assessment Rates

Upon completion of this administrative review, Commerce shall determine, and U.S.

Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries.

Pursuant to 19 CFR 351.212(b)(1), where NEXTEEL Co., Ltd. (NEXTEEL) reported the entered value of its U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. SeAH Steel Corporation (SeAH) did not report actual entered value for all of its U.S. sales; in such instances, we calculated importer-specific per-unit duty assessment rates by aggregating the total amount of antidumping duties calculated for the examined sales and dividing this amount by the total quantity of those sales. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

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⁶ Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually examined, excluding any margins that are zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}." For these preliminary results, we have calculated weighted-average dumping margins for NEXTEEL and SeAH that are zero or *de minimis*, and we have not calculated any margins which are not zero, *de minimis*, or determined entirely on the basis of facts available. Accordingly, we have assigned to the companies not individually examined a margin of zero percent. The exporters/producers subject to this review, but not selected for individual review, are listed in Appendix II.

For the companies which were not selected for individual review, we will assign an assessment rate based on the weighted average of the cash deposit rates calculated for NEXTEEL and SeAH. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.⁷

Commerce's "automatic assessment" practice will apply to entries of subject merchandise during the POR produced by NEXTEEL or SeAH for which the reviewed companies did not know that the merchandise they sold to the intermediary (*e.g.*, a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.

Consistent with its recent notice,⁸ Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for the companies listed above will be that established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for previously investigated or reviewed companies not covered in this review, the cash deposit rate

⁷ See section 751(a)(2)(C) of the Act.

⁸ See Notice of Discontinuation of Policy to Issue Liquidation Instructions After 15 Days in Applicable Antidumping and Countervailing Duty Administrative Proceedings, 86 FR 884 (January 15, 2021).

will continue to be the company-specific cash deposit rate published for the most recently completed segment of this proceeding in which the company participated; (3) if the exporter is not a firm covered in this review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, then the cash deposit rate will be the rate established for the most recent segment for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 4.38 percent, the all-others rate established in the LTFV investigation.⁹ These deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days after the date of publication of this notice. ¹⁰ Interested parties may submit case briefs no later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the time limit for filing case briefs. ¹¹ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. ¹² Case and rebuttal briefs should be filed using ACCESS. ¹³

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS within 30 days after the date of publication of this notice. Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Oral presentations at the hearing will be

⁹ See Welded Line Pipe from the Republic of Korea and the Republic of Turkey: Antidumping Duty Orders, 80 FR 75056, 75057 (December 1, 2015).

¹⁰ See 19 CFR 351.224(b).

¹¹ See Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period, 85 FR 41363 (July 10, 2020).

¹² See 19 CFR 351.309(c)(2) and (d)(2).

¹³ See 19 CFR 351.303.

¹⁴ See 19 CFR 351.310(c).

limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of

the time and date for the hearing.¹⁵

Final Results

Commerce intends to issue the final results of this administrative review, including the

results of its analysis raised in any written briefs, not later than 120 days after the publication of

these preliminary results in the *Federal Register*, unless otherwise extended. ¹⁶

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility

under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties

prior to liquidation of the relevant entries during this review period. Failure to comply with this

requirement could result in Commerce's presumption that reimbursement of antidumping duties

occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these results in accordance with sections 751(a)(1) and

777(i)(1) of the Act.

Dated: April 14, 2021.

Christian Marsh,

Acting Assistant Secretary for Enforcement and Compliance.

¹⁵ See 19 CFR 351.310(d).

¹⁶ See section 751(a)(3)(A) of the Act.

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II.
- III.
- Background
 Scope of the Order
 Discussion of the Methodology
 Recommendation IV.
- V.

Appendix II

Review-Specific Average Rate Applicable to Companies Not Selected for Individual Review

- 1. AJU Besteel Co., Ltd.
- 2. Daewoo International Corporation
- 3. Dong Yang Steel Pipe
- 4. Dongbu Incheon Steel Co.
- 5. Dongbu Steel Co., Ltd.
- 6. Dongkuk Steel Mill
- 7. EEW Korea Co., Ltd.
- 8. HISTEEL Co., Ltd.
- 9. Husteel Co., Ltd.
- 10. Hyundai RB Co. Ltd.
- 11. Hyundai Steel Company/Hyundai HYSCO
- 12. Keonwoo Metals Co., Ltd.
- 13. Kolon Global Corp.
- 14. Korea Cast Iron Pipe Ind. Co., Ltd.
- 15. Kurvers Piping Italy S.R.L.
- 16. Miju Steel MFG Co., Ltd.
- 17. MSTEEL Co., Ltd.
- 18. Poongsan Valinox (Valtimet Division)
- 19. POSCO
- 20. POSCO Daewoo
- 21. R&R Trading Co. Ltd.
- 22. Sam Kang M&T Co., Ltd.
- 23. Sin Sung Metal Co., Ltd.
- 24. SK Networks
- 25. Soon-Hong Trading Company
- 26. Steel Flower Co., Ltd.
- 27. TGS Pipe
- 28. Tokyo Engineering Korea Ltd.

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